

House Bill 892

By: Representative Thomas of the 65<sup>th</sup>

A BILL TO BE ENTITLED

AN ACT

1 To amend Chapter 9 of Title 33 of the Official Code of Georgia Annotated, relating to  
2 regulation of rates, underwriting rules, and related organizations, so as to permit an  
3 individual to suspend a motor vehicle liability policy or buy a motor vehicle liability policy  
4 with reduced coverage when a vehicle is inoperable; to provide for a short title; to provide  
5 for a definition; to permit an individual to suspend and discontinue premium payments on  
6 a motor vehicle liability policy when a vehicle under such policy is inoperable; to provide  
7 for insurers to offer a reduced coverage policy for an inoperable vehicle; to provide that a  
8 suspended or reduced coverage policy does not constitute a lapse of coverage, cancellation  
9 or nonrenewal, or grounds for cancellation or nonrenewal; to provide for a nonuse affidavit  
10 to be submitted to the insurer; to provide for the reinstatement of a suspended policy or  
11 full-coverage policy when an inoperable vehicle becomes operable; to amend Chapter 2 of  
12 Title 40 of the Official Code of Georgia Annotated, relating to registration and licensing of  
13 motor vehicles, so as to permit the suspension or reduction of insurance coverage when a  
14 motor vehicle is inoperable without the cancellation of registration of such vehicle; to  
15 provide for related matters; to provide for an effective date and applicability; to repeal  
16 conflicting laws; and for other purposes.

17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

H. B. 892

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**SECTION 1.**

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Chapter 9 of Title 33 of the Official Code of Georgia Annotated, relating to regulation of rates, underwriting rules, and related organizations, is amended by adding a new Code section to read as follows:

"33-9-45.

(a) This Act shall be known and may be cited as the 'Georgia Car Insurance Policy Saver Act.'

(b) For the purposes of this Code section, the term 'inoperable' means unable to be safely operated on a public street because of one or more necessary repairs for damage, defects, mechanical failures, or absent parts.

(c) For each policy of private passenger motor vehicle insurance issued, delivered, issued for delivery, or renewed in this state, an insurer shall permit an individual to suspend such policy when the motor vehicle insured under such policy is inoperable, provided that such individual submits to the insurer an affidavit of nonuse on a form and in a manner prescribed by the Commissioner. An individual shall not be required to make premium payments for such suspended policy for such inoperable vehicle.

(d) For each policy of private passenger motor vehicle insurance issued, delivered, issued for delivery, or renewed in this state, an insurer shall offer a policy for an inoperable motor vehicle that provides coverage for loss, theft, accidents, fire, hail damage, and other natural causes when such inoperable vehicle is parked or stored. Such policy shall be offered at a reduction in the premium for motor vehicle liability, provided that such premium shall not be more than 50 percent of what would otherwise be the premium for a motor vehicle liability policy.

(e) The suspension of a policy as provided in subsection (c) of this Code section and the reduced coverage policy as provided in subsection (d) of this Code section shall not constitute a lapse in insurance coverage, cancellation or nonrenewal of such policy, or grounds for cancellation or nonrenewal of such policy.

45 (f) An individual who has obtained a suspended policy as provided in subsection (c) of this  
46 Code section may continue such suspension in coverage provided that such vehicle is  
47 inoperable and such individual submits to the insurer an affidavit of nonuse on a form and  
48 in a manner prescribed by the Commissioner. An individual shall reinstate such suspended  
49 policy by providing notice to the insurer and resuming making premium payments within  
50 two weeks of the vehicle becoming operable. An individual who fails to timely reinstate  
51 such suspended policy shall be considered an uninsured motorist.

52 (g) An individual who has obtained a reduced coverage policy as provided in  
53 subsection (d) of this Code section may continue such reduction in coverage provided that  
54 such vehicle is inoperable and such individual submits to the insurer an affidavit of nonuse  
55 on a form and in a manner prescribed by the Commissioner. An individual shall obtain a  
56 policy providing at least minimum coverage within two weeks of the vehicle becoming  
57 operable. An individual who fails to timely obtain such policy shall be considered an  
58 uninsured motorist."

59 **SECTION 2.**

60 Chapter 2 of Title 40 of the Official Code of Georgia Annotated, relating to registration and  
61 licensing of motor vehicles, is amended by revising Code Section 40-2-10, relating to  
62 voluntary cancellation of vehicle registration, as follows:

63 "40-2-10.

64 (a) A vehicle registrant may voluntarily cancel the registration on a vehicle when such  
65 vehicle is not in use for any reason, including without limitation if the vehicle is stolen,  
66 repossessed but not redeemed by the registrant, junked, inoperable, in storage, used  
67 seasonally for agricultural or other purposes, or if the owner is on active duty in the armed  
68 forces of the United States and is transferred to a duty station away from the location of the  
69 vehicle or is on active sea duty. A registration that has been voluntarily cancelled may be  
70 reinstated upon payment of all accrued ad valorem taxes and license fees, if any.

71 (b) A vehicle registrant that suspends or reduces insurance coverage on a vehicle when  
72 such vehicle is inoperable pursuant to Code Section 33-9-45 shall not have the registration  
73 for such vehicle canceled because of such suspension of or reduction in coverage."

74 **SECTION 3.**

75 This Act shall become effective on January 1, 2025, and shall apply to all applicable policies  
76 issued, delivered, issued for delivery, or renewed on or after such date.

77 **SECTION 4.**

78 All laws and parts of laws in conflict with this Act are repealed.